

**Citizens Bancshares Co.
Disclosure Statement
Rule 15c2-11(5) and Rule 144(c)(2)
Under the Securities Exchange Act of 1934**

1. The exact name of the issuer and its predecessor (if any):

The exact name of the issuer is Citizens Bancshares Co.

2. The address of the issuer's principal executive offices:

7280 NW 87th Terrace, Suite 300
Kansas City, Missouri 64153
Telephone: 816.459.4000
Website: gocitizens.bank

3. The state of incorporation:

The issuer is incorporated in Missouri.

4. The exact title and class of the securities:

The issuer's securities are common stock.

5. The par or stated value of the securities:

The par value of the issuer's common stock is \$.01 per share.

6. The number of shares or total amount of the securities outstanding as of the end of the issuer's most recent fiscal year:

There were 2,346,915 shares of common stock outstanding at March 31, 2020.

7. The name and address of the firm that facilitates stock purchases and sales:

Mr. Joe Hadel
Vice President
First Trust of MidAmerica
2401 N. 7 Highway, P.O. Box 30
Pleasant Hill, Missouri 64080

Telephone: 816-540-6480
Email: jhadel@cbpphone.net
Fax: 816-540-2530

8. The name and address of the stock transfer agent:

Written Requests

Computershare
P.O. Box 30170
College Station, TX
77842-3170

Overnight Delivery

Computershare
462 South 4th St.,
Suite 1600
Louisville, KY
40202

Telephone Inquiries: 800-962-4284 (US)
781-575-3120 (outside the US)

Email Inquiries: web.queries@computershare.com

Shareholder Website: www.computershare.com/investor

9. The nature of the issuer's business:

The issuer is a bank holding company and the parent company of a wholly-owned subsidiary, Citizens Bank & Trust Company. Citizens Bank & Trust Company is a full-service banking institution and trust company.

10. The nature of products or services offered:

As a financial institution, the issuer's subsidiary, Citizens Bank & Trust Company provides a wide-range of loan and deposit products and services. The Wealth Management Division provides trust financial advice and services, including brokerage services, asset management, estate planning and retirement planning.

11. The nature and extent of the issuer's facilities:

The issuer's subsidiary, Citizens Bank & Trust Company has 18 banking locations serving communities in Northwest Missouri and the Kansas City metropolitan area.

12. The name of the chief executive officer and members of the board of directors:

Don O. Walsworth, Chairman & Director
Roger M. Arwood, Chief Executive Officer, President & Director
Edward D. Douglas, Chairman Emeritus & Director
Spencer Cohn, Director
James L. Gegg, Director
Gene Millard, Director
Dr. David M. Neal, Director
W. L. (Barry) Orscheln, Director
Patrick W. Thorne, Director
Don O. Walsworth, Jr., Director
William E. Young, Director

13. The issuer's most recent balance sheet and profit and loss and retained earnings statements:

See unaudited financial statements as of March 31, 2020 at the end of this document.

14. Similar financial information for the preceding fiscal year:

The financial statements that are referenced in Item 13 also contain comparative information as of December 31, 2019.

15. Whether the broker or dealer of any associated person is affiliated, directly or indirectly with the issuer:

n/a

16. Whether the quotation is being published or submitted on behalf of any other broker or dealer, and, if so, the name of such broker or dealer:

n/a

17. Whether the quotation is being submitted or published directly or indirectly on behalf of the issuer, or any director, officer or any person, directly or indirectly the beneficial owner of more than 10 percent of the outstanding units or shares of any equity security of the issuer, and, if so, the name of such person, and the basis for any exemption under the federal securities laws for any sales of such securities on behalf of such person:

n/a

Citizens Bancshares Company

Consolidated Financial Report
March 31, 2020 and December 31, 2019
(Unaudited)

Citizens Bancshares Company

Consolidated Balance Sheets

Periods Ended March 31, 2020 and December 31, 2019

Unaudited (Dollars in Thousands, Except Per Share Data)

Assets	3/31/2020	12/31/2019
Cash and due from banks	\$ 117,178	\$ 96,893
Federal funds sold	-	-
Cash and cash equivalents	117,178	96,893
Securities available for sale	152,502	139,256
Loans, net	607,753	593,567
Cash surrender value of life insurance	21,334	21,219
Premises and equipment, net	19,116	19,732
Accrued interest receivable	3,427	2,876
Other real estate owned	7,744	7,744
Federal Home Loan Bank stock	1,072	1,054
Deferred income taxes, net	7,323	7,263
Other assets	8,287	7,996
	\$ 945,736	\$ 897,600
Liabilities and Stockholders' Equity		
Liabilities		
Deposits		
Non-interest-bearing	\$ 143,304	\$ 149,165
NOW, money market, and savings	433,956	368,027
Certificates of deposit	238,172	250,756
Total deposits	815,432	767,948
Securities sold under agreement to repurchase	17,450	15,453
Federal Home Loan Bank advances	-	-
Other borrowings	12,500	12,500
Accrued interest payable	780	794
Other liabilities	7,214	7,133
Total liabilities	853,376	803,828
Commitments and Contingencies		
Stockholders' equity		
Common stock, \$0.01 par value; 5,000,000 shares authorized; 2,561,600 shares issued	26	26
Additional paid-in capital	8,633	8,567
Retained earnings	90,399	89,168
Treasury stock, at cost (214,685 shares)	(4,900)	(4,900)
Accumulated other comprehensive income (loss)	(1,798)	911
Total stockholders' equity	92,360	93,772
	\$ 945,736	\$ 897,600

Citizens Bancshares Company

Consolidated Statements of Income

Periods Ended March 31, 2020 and December 31, 2019

Unaudited (Dollars in Thousands, Except Per Share Data)

	3/31/2020	12/31/2019
Interest income		
Loans, including fees	\$ 7,203	\$ 29,716
Securities	993	4,466
Federal funds sold and other	209	683
	<u>8,405</u>	<u>34,865</u>
Interest expense		
Deposits	1,681	6,553
Federal Home Loan Bank advances	-	51
Federal funds purchased and repurchase agreements	67	307
Other borrowed funds	236	947
	<u>1,984</u>	<u>7,858</u>
Net interest income	6,421	27,007
Provision for loan losses	321	120
Net interest income after provision for loan losses	<u>6,100</u>	<u>26,887</u>
Noninterest income		
Service charges and commissions	797	3,442
Fees for fiduciary services	600	2,119
Net gain (loss) on sale of securities	451	377
Net gain (loss) on sale of branches, premises and equipment	-	(43)
Net gain (loss) on sales of other real estate	-	-
Increase in cash surrender value of life insurance	115	476
Other	763	2,869
	<u>2,726</u>	<u>9,240</u>
Noninterest expense		
Salaries and employee benefits	3,696	14,391
Occupancy	1,557	6,058
FDIC assessments	53	114
Expenses on other real estate owned and repossessed assets	25	76
Professional fees	279	394
Telecommunications, postage, and delivery	252	976
Advertising and marketing	153	696
Office Supplies	25	146
Other	1,182	5,134
	<u>7,222</u>	<u>27,985</u>
Income (loss) before income taxes	1,604	8,142
Income tax expense (benefit)	374	1,929
Net income (loss)	<u>\$ 1,230</u>	<u>\$ 6,213</u>

Citizens Bancshares Company

Consolidated Statements of Stockholders' Equity

Periods Ended March 31, 2020 and December 31, 2019

Unaudited (Dollars in Thousands, Except Per Share Data)

	Common Stock	Preferred Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity
Balance at December 31, 2018	\$ 26	\$ -	\$ 8,302	\$ 83,542	\$ (4,900)	\$ (1,475)	\$ 85,495
Comprehensive income:							
Net income (loss)	-	-	-	6,213	-	-	6,213
Change in net unrealized gain (loss) on securities available for sale, net of reclassification and tax effects	-	-	-	-	-	2,386	2,386
Total comprehensive income							-
Cash dividends declared on preferred stock	-	-	-	(587)	-	-	(587)
Stock Compensation Expense	-	-	265	-	-	-	265
Treasury Stock sold	-	-	-	-	-	-	-
Balance at December 31, 2018	\$ 26	\$ -	\$ 8,567	\$ 89,168	\$ (4,900)	\$ 911	\$ 93,772
Comprehensive income:							
Net income (loss)	-	-	-	1,231	-	-	1,231
Change in net unrealized gain (loss) on securities available for sale, net of reclassification and tax effects	-	-	-	-	-	(2,709)	(2,709)
Total comprehensive income							(1,478)
Cash dividends declared on preferred stock	-	-	-	-	-	-	-
Stock Compensation Expense	-	-	66	-	-	-	66
Treasury Stock sold	-	-	-	-	-	-	-
Balance at December 31, 2019	\$ 26	\$ -	\$ 8,633	\$ 90,399	\$ (4,900)	\$ (1,798)	\$ 92,360